

ECONOMIC TENDENCIES

IN THE UNITED STATES

Aspects of Pre-War and Post-War Changes

by

FREDERICK C. MILLS

With an Introduction by

THE COMMITTEE ON
RECENT ECONOMIC CHANGES

A Publication of

THE NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.

in Coöperation with

THE COMMITTEE ON RECENT ECONOMIC CHANGES

1932

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PUBLICATIONS OF THE
NATIONAL BUREAU OF ECONOMIC RESEARCH, INCORPORATED

NUMBER 21

ECONOMIC TENDENCIES
IN THE UNITED STATES

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*Introduction by the
Committee on Recent Economic Changes*

This volume is devoted, primarily, to a survey of economic tendencies which developed and prevailed during the period preceding the current economic depression. In order the better to bring out the character of these tendencies, they are reviewed in comparison with the tendencies prevailing during the period preceding the World War.

As a survey this study is important in its own right because of the economic importance of the period 1922-1929. It presents an extremely valuable segment of the continuing study of the phenomena of economic activity, which is being carried forward by the Committee on Recent Economic Changes in conjunction with the National Bureau of Economic Research.

For the scientific competency of this study—the gathering of the material brought together in the present volume, its interpretation, and the conclusions drawn therefrom—the National Bureau of Economic Research is solely responsible; but the Committee on Recent Economic Changes is happy to join with the Bureau in the publication of a study throwing such a flood of light upon the nature of recent economic movements in the United States, and the features and forces marking their essential character. It is most timely as a study of recent economic history and as such will be welcomed. But its importance goes beyond its timeliness. Because of its intelligent application of the methods of scientific analysis, assembly, and organization to the understanding of a body of actual economic phenomena, its importance as a contribution to realistic thinking and procedure, in the economic field, deserves appreciative recognition.

In the Committee's opinion, while this volume is important currently as a background study of our economic processes, its greatest value will be realized when the time comes that the depression itself can be analyzed. In the meantime the evidence it presents may

profitably be studied, checked and challenged, so that when the full record of the depression shall be ready for analysis, it may be studied and interpreted against a background of fact and conclusion made sound and useful by the processes of deliberation, verification and assimilation. The present volume and others shortly to follow may, therefore, be considered interim reports, bridging the span between the previous study, *Recent Economic Changes in the United States*, published by the Committee on Recent Economic Changes early in 1929, and the report this Committee anticipates publishing at that future date when the present economic cycle shall have run its course.

"If ultimately," says Dr. Mills in his conclusion, "we are able properly to interpret this complex experience, we may hope to determine whether anything approaching true economic equilibrium was achieved within the era bounded by the two great post-war recessions. We may hope, too, to determine more precisely the conditions that conduce to stable economic processes, and to define more accurately than is now possible the limits of tolerance of the existing order, in relation to the stresses and strains to which it is exposed."

This well expresses the underlying hope of the Committee on Recent Economic Changes, and the motive which has prompted the Rockefeller Foundation, the Carnegie Corporation, the Economic Club of Chicago, and various socially-minded groups and individuals who have so generously supported and encouraged the Committee in its continuing study of recent economic experience.

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October, 1932

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